

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
July 22, 2019**

The Rochelle City Council met in Regular Session at 6:30 p.m. on Monday, July 22, 2019 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER: Prayer was said by Pastor Alsap.

SWEARING IN: Councilman Don Burke.

ROLL CALL: Present on Roll Call were Councilmembers Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. A quorum of seven were present. Also present were City Manager Jeff Fiegenschuh, City Clerk Sue Messer and City Attorney Dominic Lanzito.

PROCLAMATIONS, COMMENDATIONS, ETC: None

REPORTS AND COMMUNICATIONS:

- Mayor – Thanked all for their help with the Main Street parking lot landscaping. Mayor also clarified new resident, welcome baskets are provided by Rochelle Retail Advisory Board, Rochelle Area Community Foundation. Mayor also has encouraged people to attend Council meeting, 8/12/2019, The Kitchen Table will be recognized
- Council Members
- Good News Award-Michelle Pease for overseeing landscaping parking lot event and all the volunteers and the Kitchen Table for providing lunch meals.

PUBLIC COMMENTARY: Carolyn Cryer-Large pothole in front of her house, needs to be fixed and suggesting bike lanes on Route 38, Lincoln Hwy & 7th St.

John Ferrari-Concerned about volume of semi-trucks on 14th St. Cervantes Trucking on 20th St & 8th Ave runs back & forth, 25-30 a day up to 40-50 some days. Requesting semis to be rerouted, a petition of 80 or so names was provided.

DISCUSSION ITEMS:

Advanced Communications Solutions Project Overview and Findings – Sikich. RMU IT/Advanced Communications hired Sikich to help with the internal mapping of the system, documentation and to make recommendations for the utility. Representatives from Sikich will present the final findings and share some of the recommendation made to RMU IT/Advanced Communications. Mike DeGroat & Scott Wagner available to answer any questions.

Cyber Security and Privacy – AESI. RMU IT/Advanced Communications hired AESI to do a complete cyber and physical security assessment of the system and to provide recommendations for the utility going forward. This assessment included the Electric and IT/Internet Service Provider side, with spots check in the other departments.

AESI representatives will share the final findings and some of the recommendations made to RMU IT/Advanced Communications. Doug Westlund gave a presentation on Cyber Security & responded to questions from the City Council.

Economic Development Website. Adriana Milan presented new Economic Development website and responded to any questions. In conjunction with developing a marketing plan for the Economic Development Department and in support of the strategic goals, a new Economic Development website has been completed. The new website, www.excelinrochelle.com, is a great marketing tool to effectively improving our community visibility. The website highlights the assets and advantages of doing business in Rochelle. Businesses and site sectors are particularly drawn to websites that provide comprehensive information that is easy to navigate.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – July 8, 2019
- b) Approve Exceptions – 7/3/19-7/15/19
- c) Approve Bills – 7/16/19
- d) Approve Payroll – 7/1/19-7/14/19
- e) Accept and Place on File Financial Statement – June 2019

Motion made by Councilor Hayes and seconded by Councilor D. McDermott “**I move consent agenda items (a) through (e) be approved by Omnibus vote as recommended.**” Roll call vote was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

- 2) **Audit Reports for January 1, 2018 – December 31, 2018.** Sikich, LLP planned and performed the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatements. This included performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit also included evaluating the appropriateness of accounting policies used, significant estimates made by management and evaluating the overall presentation of the financial statements. The auditor’s opinion, as noted on page 2 of the Comprehensive Annual Financial Report, indicates that the financial statements “present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochelle, Illinois, as of December 31, 2018, and the respective changes in financial position and, where applicable cash flows thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.” Anthony Cervini, Partner of Government Services for Sikich, attended the meeting to provide an overview of the City’s Financial Statement and respond to questions from the Mayor and Council members. Motion made by Councilor T. McDermott and seconded by Councilor Burke **“I move the Council accept and place on file the audit reports (19-5033) for the Fiscal Year January 1, 2018-December 31, 2018 as prepared and presented by Sikich, LLP.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 3) **Collective Bargaining Agreement between the City of Rochelle and the International Brotherhood of Electrical Workers Local 196.** The current collective bargaining agreement with the IBEW-Utilities Divisions expired on May 1, 2019. Our team met with the IBEW multiple times in the past 4 months to negotiate a new agreement. Our teams reached a tentative agreement for the entire package that has been ratified by the members of the collective bargaining group and is now ready for council approval. The proposal represents a good compromise, where both sides gave and received concessions. Most of the provisions from the current agreement carried over into the new one. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Shaw-Dickey and seconded by Councilor D. McDermott, **“I move Council approve a Collective Bargaining Agreement between the City of Rochelle and the International Brotherhood of Electrical Workers Local 196 with a term of May 1, 2019 through April 30, 2022.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 4) **Ordinance Amending Chapter 6, Article 1, Section 6-3 of the Rochelle Municipal Code Pertaining to Liquor License Classifications.** Kenny Farms Distilling recently approached the City about allowing their patrons to bring wine into their facility for onsite consumption. The current code does not allow for a “corking fee”. The proposed language changes to the Class M-1 license; Microbrewery includes:
A class M-1 license shall authorize the manufacture of beer products on the licensed premises and the sale at retail of alcoholic liquor, including the manufactured beer products, for consumption on the licensed premises. A Class M-1 license shall entitle the licensee, a microbrewery, to permit consumption of wine brought onto the premises by a patron twenty-one (21) years of age or older for personal consumption or for personal consumption of other patrons who are twenty-one (21) years of age or older. The consumption of wine is restricted to the licensed premises. No more than one (1) 750-milliliter bottle of wine per patron (unopened) shall be permitted to be brought into the premises.
The highlighted language above will permit any M-1 license holder to allow for the consumption of wine brought onto their premise by their customers. Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Shaw-Dickey and second by Councilor Burke, **“I move Ordinance 19-5035, an Ordinance Amending Chapter 6, Article 1, Section 6-3 of the Rochelle Municipal Code Pertaining to Liquor License Classifications, be approved.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 5) **Ordinance Amending Chapter 94 Article IV Entitled “Stopping, Standing and Parking.”** May, Tilton and Central Schools have had parking issues for years during pick up and drop off times. Double parking and parking where prohibited in these areas creates traffic congestion and unsafe situations for the students. Having a new system in place supported by the proper signage will allow the orderly pickup and drop-off of students at the schools. Police Chief, Eric Higby and Officer Matt Wittenberg were available to answer questions. Motion made by Councilor T. McDermott and seconded by Councilor Hayes, **“I move Ordinance 19-5036, an Ordinance Amending Chapter 94 Article IV Entitled “Stopping, Standing and Parking, be approved.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

- 6) **Ordinance Authorizing the Sale of Real Estate at 410 Cherry Avenue.** City owned property located at 410 Cherry Avenue (P.I.N. 24-24-382-005) has been deemed surplus real estate property located within in a defined redevelopment project area and is no longer necessary, appropriate, useful to, or in the best interest of the City of Rochelle to retain ownership of the property. The property includes approximately 3,978 square feet of building space and a 52 x 80 lot zoned B1, Commercial, Central Business and is located in the Downtown and Southern Gateway TIF District. Request for Proposals were made public for interested parties to submit proposals to redevelop the property, all proposals were reviewed, and interviews were conducted of applicants who submitted a proposal by the deadline submission date. T & R Rental, LLC submitted a proposal to purchase the property for \$10,000. This proposal to redevelop the property supports the redevelopment efforts of Downtown Rochelle. Michelle Pease was available to answer questions. Motion made by Councilor Gruben and second by Councilor Shaw-Dickey, **“I move Ordinance 19-5037, an Ordinance Authorizing the Sale of Real Estate at 410 Cherry Avenue, be approved.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 7) **Ordinance Approving a Fire Truck Revolving Loan Agreement with the Illinois Finance Authority.** The 2019 Budget includes the purchase of a fire engine to replace Engine 8 which was built and purchased in 1995. Budgeted in 2019 is \$200,000 from the Ambulance Fund to cover the cost of the chassis with the remainder of the Engine to be paid for upon completion in 2020. Earlier this year we applied for and were approved to receive a loan in the amount of \$350,000 from the Office of the State Fire Marshal through The Illinois Finance Authority for the purchase of this Engine. The term of the loan is for up to 20 years with a fixed interest rate of 1.89%. Fire Chief, Dave Sawlsville was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor T. McDermott, **“I move Ordinance 19-5038, an Ordinance Approving a Fire Truck Revolving Loan Agreement with the Illinois Finance Authority, be approved.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

- 8) **Resolution Approving a Master Equity Lease Agreement with Enterprise Fleet Management, Inc.** The City has a light duty vehicle fleet of varying ages and capabilities. Many of these vehicles are operated until the repair costs exceed the value of the vehicle. This is sometimes referred to as the “drive it till the wheels fall off” approach. This typically occurs when a major component such as the drivetrain has failed leaving the vehicle inoperable and with a value of scrap steel. This method has caused staff to reexamine our procurement practices and consider the benefits of fleet leasing. For the past year, City staff have been investigating options of leasing vehicles for the City’s light duty fleet. Staff conducted an analysis to determine our best leasing and purchasing options and found the lowest life cycle costing method to be most economical. Typical parameters in lifecycle costing include depreciation, cost of money, insurance, fuel, maintenance and repair. Other replacement considerations are obsolescence cost, downtime costs and market conditions. Generally, lease terms will span 3 to 5 years. Lease terms are open ended with no penalty, so a vehicle may be cycled earlier in this program if it makes sense and the resale market is right. The City would determine the number of vehicles to be acquired through lease and include this as part of the annual budget approval process. City vehicles to be leased through the Enterprise Fleet Management program may be purchased through local dealerships. A stock fee of 2% less applicable incentives will apply. Leased vehicles may also be serviced and repaired at local dealerships and maintenance shops. Over time, City staff anticipates significant financial and practical advantages such as improved cash flow, greatly reduced maintenance costs, reduced fuel costs, improved safety features to better protect our employees and the public, an optimal vehicle replacement schedule, as well as increased fleet management support. By implementing the Enterprise Fleet Management program, the City can expect to see a conservative net savings of over \$200,000 within the first ten years of this program. The most significant benefit to fleet vehicle leasing is a smaller up-front investment compared to an outright purchase. The proposed lease agreement reduces the costs to a monthly operating expense. This allows funds that would have been committed to fleet purchases to be used for other core services. Interest rates for leased vehicles are based off a 3-year T-Bill which is currently at 4.21% and will be fixed at the time of delivery. As the current City fleet ages, breakdowns are a common occurrence. This is not only an expense in parts and repair, but also an expense in lost staff productivity. The proposed lease agreement will provide the city with new vehicles that have bumper-to-bumper coverage greatly reducing repair costs and down time. Leased vehicles will include a flat maintenance management fee of \$5.00 per vehicle, per month and a full maintenance agreement with costs based on vehicle type and miles driven. Leasing the City’s fleet through Enterprise Fleet Management will provide the City with several additional management tools for a fee of 0.10% per vehicle per month. These management tools include, experience in managing thousands of government vehicles, web-based programs analyzing all fleet costs, fleet maintenance reminders and recommendations, routine administrative tasks and maximizing resale values. Once a vehicles effective lifecycle has been met, Enterprise Fleet Management will increase the used vehicle resale be utilizing multiple resale channels to create a competitive environment to maximize vehicle returns. A lease termination fee of \$400 is applied for selling the vehicle and title processing. By partnering with Enterprise Fleet Management, the City can expect to have a cost-effective fleet that is safe, reliable, efficient and well managed. Tim Isley and Sam Dentor with Enterprise were available to answer questions. Motion made Councilor Shaw-Dickey and seconded by Councilor D. McDermott, “**I move Resolution R19-42, a Resolution Approving a Master Equity Lease Agreement with Enterprise Fleet Management, Inc., be approved.**” Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 9) **Resolution Approving a Maintenance Management and Fleet Rental Agreement with Enterprise Fleet Management, Inc.** Motion made Councilor Shaw-Dickey and seconded by Councilor D. McDermott, “**I move Resolution R19-43, Resolution Approving a Maintenance Management and Fleet Rental Agreement with Enterprise Fleet Management, Inc., be approved.**” Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 10) **Resolution Approving a Consignment Agreement with Enterprise Fleet Management, Inc.** Motion made Councilor T. McDermott and seconded by Councilor D. McDermott, “**I move Resolution R19-44, a Resolution Approving a Consignment Agreement with Enterprise Fleet Management, Inc., be approved.**” Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 11) **Resolution Approving a Maintenance Agreement with Enterprise Fleet Management, Inc.** Tim Isley was available to answer questions. Motion made Councilor T. McDermott and seconded by Councilor Hayes, “**I move Resolution R19-45, a Resolution Approving a Maintenance Agreement with Enterprise Fleet Management, Inc., be approved.**” Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

12) **Resolution Approving a Loan Agreement with the Central Bank of Illinois Pertaining to the Purchase of Two Dump Trucks.** Tim Isley was available to answer questions. Motion made Councilor T. McDermott and seconded by Councilor D. McDermott, **“I move Resolution R19-46, a Resolution Approving a Loan Agreement with the Central Bank of Illinois Pertaining to the Purchase of Two Dump Trucks, be approved.”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

EXECUTIVE SESSION: At 8:34 PM, Councilor D. McDermott and seconded by Councilor Shaw-Dickey, **“I move the Council recess into executive session to discuss setting of a price for sale or lease of property owned by the City, Section (c) (6), purchase or lease of real property for City’s use Section (c) (5), and discussion of minutes of meetings lawfully closed under this Act for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated, Section (c) (21).”** Roll call was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

At 9:01 PM, Councilor D. McDermott and seconded by Councilor Hayes, **“I move the Council return to open session.”** Motion passed by voice vote without dissent.

ADJOURNMENT: At 9:02 PM, moved by Councilor D. McDermott and seconded by Councilor Shaw-Dickey, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.

John Bearrows, Mayor

Susan L. Messer
City Clerk of Rochelle